With the second session of the 81st Congress less than a week away, perhaps we should spend a few minutes checking the congressional scoreboard to see what legislation is on the agenda in both the Senate and House. The first session of the 81st Congress, which lasted 9½ months and was the longest peacetime session since 1922, approved a total of 440 public acts and 353 private laws. Despite the length of the past session and the vast number of bills enacted into law, there still remains a number of proposals which have had no action at all or which have been approved by either the Senate or the House with no action by the other. The proponents of the various unfinished legislative proposals, since Congress adjourned October 19th, have been arming their forces for an all out onslaught in the months ahead.

The Senate is scheduled the first day, January 3rd, for action on the oleomargarine tax repeal bill. This measure has already been approved by the House. On January 20th, the Senate will consider the conference report on a bill legalizing certain basis point practices. This proposal, which seeks to legalize non-collusive freight absorption was initially approved by both the House and Senate and in its final form OK’d by the House, will probably run into talkathon difficulty in the Senate because of several collateral matters that have been dragged into the dispute by the opponents of the measure. It goes without saying that Western Michigan industry and labor need the assistance of new legislation on this complex problem.

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The Congress as a whole must appropriate the necessary funds to operate the federal government during the next fiscal year. You are all familiar with the fact that the federal government went in the red 18 billion for the year ending June 30, 1949 and that the deficit for this fiscal year will undoubtedly be 5½ billion. Most economy minded members of the Congress are gravely concerned with the prospect of a 260 billion dollar debt by next July 1st. Although the house may have appropriated too much in the bills initiated last session, the House was far more economy-minded than the Senate or the President. As Al Smith would say, "Let's look at the record." There are 11 regular annual appropriation bills. In 9 instances out of 11 the House version was less than the comparable proposal in the Senate. In 10 cases out of 11 the House bill was less than the amount sought by the President. Only on the question of funds for the Army, Navy and Airforce was the House more generous than both the President and the Senate. With world affairs still critically in the balance, particularly with the threat of Communist aggression in China and the Far East for all intents and purposes a reality, the reluctance on the part of the House to be "penny wise and pound foolish" is understandable.
An over-all comparison indicates that the House itself approved money bills totaling $312,569,166 less than that recommended by the Bureau of the Budget for the President and $313,993,003 less than the amount approved by the Senate.

In this coming session the Congress and the President must strive relentlessly for further economies and if the past is indicative of the future the House will lead such a campaign.

One encouraging nation-wide trend is the apparent mounting enthusiasm for the Hoover Commission recommendations. The Hoover Commission was conceived in a bi-partisan atmosphere, the recommendations were prepared and submitted by the Commission which had 6 Democrats and 6 Republicans; and the effectuation if the proposals can only be possible through the combined efforts of both major political parties. One of the real and substantial achievements of the coming session should be the adoption of the Hoover Commission recommendations en toto in order to save the promised $6 billion dollars annually without a reduction of services rendered.

The Congress will wrestle anew with foreign assistance legislation. There will be a reduction in funds, in fact there must be, but it would be unwise to discontinue E.C.A. and related plans at the half-way point when substantial results are evident and in prospect. The termination date for E.C.A. is 1952. Our friends overseas should know that is the deadline. In the meantime Western Europe must be integrated economically and militarily so that by 1952 they can be on their feet and off the backs of the American taxpayers. The President wants action on his controversial Point IV foreign aid plan. The latter program will be given searching scrutiny. In its presently proposed form and with the federal budget already taxed to the maximum, this innovation will undoubtedly run into trouble.

Civil rights legislation will get attention from both the Senate and the House. An anti-poll tax bill was approved by the House last session. The Senate will probably consider the matter, but whether or not affirmative action is taken, the constant pressure on the federal level has resulted in corrective action by 8 states within recent years. This state-by-state progress is desirable but unless the recalcitrants awaken to the need for the abolition of unfair and discriminatory voting restrictions, the Congress will act as it should.

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The Senate in this past session approved the Thomas federal-aid-to-education bill. The legislation was subsequently considered by a sub-committee of the House Committee on Education and Labor. The sub-committee proposal, i.e. the Barden bill, resulted in a bitter, deep seated controversy as to whether or not federal funds could be used in parochial as well as public schools. This particular phase of the federal aid to education issue road-blocked all consideration of the problem by the House as a whole last session.

Many teachers, ranking educators and others have been sincerely interested in federal aid to education because of the inequality of educational opportunity throughout the United States. In some of our wealthier states there are better school facilities and better trained teachers while in other geographical areas in this country there are insufficient school buildings and inadequately trained
teachers. This variation results mainly because in some regions, particularly in the southern states, there is not enough taxable property locally to support an adequate school system.

The Senate bill goes too far in attempting to meet the problem. Instead of limiting federal aid to those areas which are economically poor, Senator Thomas' proposal would distribute some federal funds to every state even though those states like New York, California and others can well afford to support adequately their own educational systems. The Thomas bill if it were a true equalization measure would have better prospects in the House.

One of the most effective arguments against federal-aid-to-education is the danger of federal bureaucratic control over local educational systems. It would be a backward step if our local school systems should become enmeshed in the inevitable red tape and inefficiency that prevails in the countless Washington bureaus, boards and commissions.

I am convinced because of several recent disputes that the federal government through its top bureaucrats can not and will not spend money in the educational field on the local level without attempting to dictate policy and procedures for the local school officials. For example, the Veterans Administration has been feuding for the last nine or more months with local Michigan school administrators and boards of education as to the method of determining costs for the operation of Veterans Institutes in this state. In effect the VA is arbitrarily telling those who run our local schools that they, the Washington bureaucrats, are better able to determine costs etc. for the operation of a school system. The result is simply this, the Veterans Institutes in Grand Rapids and elsewhere in Michigan will have to be run as dictated by Washington or else no federal funds will be available. This controversy has been and will be harmful to our sound Veterans Institute program in Michigan. This specific dispute might well be a forerunner to disputes of a similar nature if and when federal aid to education becomes law. Perhaps some in our own educational institutions in Grand Rapids, Holland and Grand Haven who formerly favored federal aid but who have been battling the VA's unreasonable position in this regard now appreciate the fundamental and inherent danger of accepting federal funds.

Within the last month I have become acquainted with an acute problem affecting Michigan State College and other land grant colleges throughout the United States. General Gray, head of the Veterans Administration and the General Accounting Office are this time jointly responsible for arbitrary federal administrative action.

As you probably know land grant colleges were established by an Act of Congress in 1862, the Morrill Act. Michigan State College, then the Michigan Agricultural College, was designated by the Michigan Legislature to be the land-grant college for this state. Subsequently, the public lands granted by the Congress to endow the institution were sold, and a principal sum in excess of one million deposited with the state treasurer as an endowment fund. From that fund Michigan State College continues to receive interest at 7%. Subsequently, the second Morrill Act, the Nelson amendment to the Morrill Act, and the Hatch-Jones Act provided additional annual grants for each land grant college. State's annual grant in this respect totals $129,880 annually.

Now, three and one-half years after Michigan State had its first contract
with the Veterans Administration covering compensation received for the training of veterans under the G.I. bill, the V.A. arbitrary rules that Merrill-Nelson endowment funds should be deducted from payments made by the VA to Michigan State College, and to other land grant colleges.

As President John Hannah of Michigan State College has said, "The whole situation is preposterous, Etc."

It appears that the only remedy in this situation is corrective action by the Congress and it is my intention to prepare and introduce the necessary bill to accomplish the desired objective. The lesson to be learned however, is not that Congress can over-rule Administrative decisions by changes in substantive law, but rather that whenever a local community or non federal governmental agency accepts federal funds there is the inevitable Washington bureaucrat ready to give orders and ensnarl the whole situation in befuddling red tape.

These two examples of arbitrary and capricious VA action should be a warning to our school administrators and others that if Federal aid to education is approved there will be new problems never before encountered, difficulties that could only be the brain child of a Washington bureaucrat. I don't want the education policies of Grand Rapids determined by a hierarchy in Washington. If Federal funds for general education mean a compounding of the two examples given them each state, community or school district would be better off to handle its own educational problem.

The coming session will be conducted in a pre-campaign atmosphere with the 1950 Congressional races just over the horizon. I only hope that partisanship and campaign strategy will not result in an unsound and unwise legislative program.
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The Senate expects, on January 25th, to reconsider the House proposal for the liberalisation of Displaced Person legislation. This muchly disputed 1948 Presidential Campaign issue will undoubtedly be resolved favorably by increasing the total to be admitted to the United States from 205,000 to 339,000. Those of you who have had any contact with D.P.’s in this area know, that with very few exceptions, we have benefited by providing new opportunities for those who have fought for years the scourge of communism, nazism and the like.

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An over all comparison indicates that the House itself approved money bills totaling $2,131,008,060 less than that recommended by the Bureau of the Budget for the President and $328,935,039 less than the amount approved by the Senate. In this coming session the Congress and the President must strive relentlessly for further economies and if the past is indicative of the future the House will lead such a campaign.

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